

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588



VIA UPS 2nd DAY AIR

April 22, 2005

RECORDATION NO. 24251-E FILED

APR 27 '05

2-58 PM

SURFACE TRANSPORTATION BOARD

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated March 3, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 24251.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Union Pacific Railroad Company
1416 Dodge Street
Omaha, NE 68179

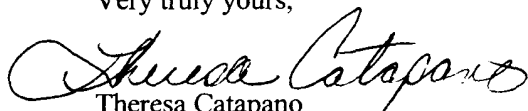
A description of the railroad equipment covered by the enclosed document is one hundred eighteen (118) bi-level auto racks, fully enclosed, marked UPKL (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$32.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5375.
Thank you for your cooperation in this matter.

Very truly yours,


Theresa Catapano
Manager of Documentation

Enclosures

(UP121/121A)

ASSGN. NO. UP 121

APR 27 '05

2-58 PM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this 3rd day of March, 2005, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Union Pacific Railroad Company ("Lessee"), a Delaware corporation. SURFACE TRANSPORTATION BOARD

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of April 1, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 18 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of March 3, 2005, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Title: _____

By: Theresa Catapano

Name: THERESA CATAPANO

Title: MGR. OF DOCUMENTATION Executed on this 3rd day of March, 2005

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 3rd day of March, 2005

Susan Grokulskey
Notary Public

My Commission Expires:

8-14-2008
(Notary Public)



LESSEE:

UNION PACIFIC RAILROAD COMPANY

By: Karen A. Watson

Name: _____

Karen A. Watson

Title: _____

General Director-

Mechanical Purchasing

ATTEST:

By: Deborah L. Vornbrock

Name: Deborah L. Vornbrock

Title: Paralegal/Legal Asst.

Executed on this 7th day of January, 2005

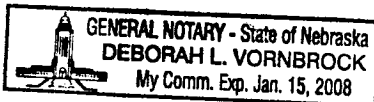
[CORPORATE SEAL]

STATE OF NEBRASKA

COUNTY OF DOUGLAS

I, Deborah L. Vornbrock, a Notary Public of the County and State aforesaid, certify that Karen A. Watson personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 7th day of January, 2005



Deborah L. Vornbrock
Notary Public

Commission Expires:

1/15/08
(Notary Public)

**EXHIBIT A to
MEMORANDUM OF LEASE**

NUMBER OF UNITS: One hundred eighteen (118)

DESCRIPTION OF UNITS: Bi-level auto racks, fully enclosed

UNIT NUMBERS AND MARKS:

UPKL 90026	UPKL 90063	UPKL 90099	UPKL 90135
UPKL 90027	UPKL 90064	UPKL 90100	UPKL 90136
UPKL 90028	UPKL 90065	UPKL 90101	UPKL 90137
UPKL 90029	UPKL 90066	UPKL 90102	UPKL 90138
UPKL 90030	UPKL 90067	UPKL 90103	UPKL 90139
UPKL 90031	UPKL 90068	UPKL 90104	UPKL 90140
UPKL 90032	UPKL 90069	UPKL 90105	UPKL 90141
UPKL 90033	UPKL 90070	UPKL 90106	UPKL 90143
UPKL 90034	UPKL 90071	UPKL 90107	UPKL 90144
UPKL 90035	UPKL 90072	UPKL 90108	UPKL 90145
UPKL 90036	UPKL 90073	UPKL 90109	Count: 118
UPKL 90037	UPKL 90074	UPKL 90110	
UPKL 90038	UPKL 90075	UPKL 90111	
UPKL 90039	UPKL 90076	UPKL 90112	
UPKL 90040	UPKL 90077	UPKL 90113	
UPKL 90041	UPKL 90078	UPKL 90114	
UPKL 90042	UPKL 90079	UPKL 90115	
UPKL 90043	UPKL 90080	UPKL 90116	
UPKL 90044	UPKL 90081	UPKL 90117	
UPKL 90045	UPKL 90082	UPKL 90118	
UPKL 90046	UPKL 90083	UPKL 90119	
UPKL 90047	UPKL 90084	UPKL 90120	
UPKL 90048	UPKL 90085	UPKL 90121	
UPKL 90049	UPKL 90086	UPKL 90122	
UPKL 90050	UPKL 90087	UPKL 90123	
UPKL 90051	UPKL 90088	UPKL 90124	
UPKL 90052	UPKL 90089	UPKL 90125	
UPKL 90054	UPKL 90090	UPKL 90126	
UPKL 90055	UPKL 90091	UPKL 90127	
UPKL 90056	UPKL 90092	UPKL 90128	
UPKL 90057	UPKL 90093	UPKL 90129	
UPKL 90058	UPKL 90094	UPKL 90130	
UPKL 90059	UPKL 90095	UPKL 90131	
UPKL 90060	UPKL 90096	UPKL 90132	
UPKL 90061	UPKL 90097	UPKL 90133	
UPKL 90062	UPKL 90098	UPKL 90134	